

ROYAL ACADEMY OF DANCE

**MINUTES OF THE 85^h ANNUAL GENERAL MEETING
OF THE
ROYAL ACADEMY OF DANCE
HELD AT 188 YORK ROAD, LONDON SW11 3JZ
AND VIRTUALLY
WEDNESDAY 11TH MAY 2022 AT 10.30 A.M.**

1.0 Introduction and Trustees Report – Guy Perricone, Chairman of the Board of Trustees

We are delighted to publish the Annual Report and financial statements for the Royal Academy of Dance for 2019/20. This report covers a period of unprecedented challenges for us, and which are still continuing. Like many, many other organisations, the global pandemic has had a very significant impact on our activities. Especially disappointing for the RAD has been the fact that we have not been able to celebrate our centenary this year as we had planned, and so many exciting projects and initiatives have had to be cancelled. Our focus has had to be on addressing the impact of the pandemic on our activities in the UK and around the world. It has been a real challenge – the most difficult environment many of us have ever known – but thanks to the commitment and hard work of the RAD team, we are looking forward to emerging from the crisis and re-dedicating ourselves to our primary purpose of teaching the world to dance.

Because of the pandemic, the Board of Trustees and our Finance Sub-committee have met much more frequently over the year to guide the organisation through the difficulties it has faced. We have also prioritised support for our members and students through this period, principally through the provision of additional and enhanced online resources and guidance and critically, with financial and hardship support. The pandemic has obliged us to migrate many of our activities online, and this has proved a real success. We have learnt a great deal from this experience, and these lessons will inform our plans and be incorporated into our activities as we move back to a more normalised environment.

As Chair of the Board of Trustees, I would formally like to recognise and thank HM Government for the very generous support extended to us through the Cultural Recovery Fund. We are extremely grateful for this, not just for its financial impact, but also as an indication of the value placed on the RAD's work and contribution.

On behalf of all my fellow Trustees, I would also like to thank all of the RAD management and staff for their exceptional commitment and dedication throughout this extremely difficult and stressful period. They have worked so hard and made sacrifices throughout the year to keep the organisation running. Thank you all very much indeed.

I would also like to thank all our members, friends and supporters for their help and assistance during this year. Again, this is greatly appreciated. We know many of them have experienced real hardship and difficulties this year, and we hope that better times lie ahead for all.

Finally, I would like to thank our Chief Executive, Luke Rittner who will be retiring once we move into our wonderful new headquarters on York Road (construction of which has continued throughout the pandemic). Luke has led the RAD for over 20 years, and his contribution to the RAD cannot be overstated – it has been truly transformational. This has not been the year any of us had planned or hoped for, but he has guided the RAD through it with his wonderful blend of professionalism and passion. It is hard to imagine an RAD without him at the helm, and he will be sorely missed by me and by all of us at the RAD. We wish him the very best for the future.

2.0 Operational Review – Tim Arthur, Chief Executive

It's a great pleasure to be here today for my first RAD Annual General Meeting and to meet so many of our members.

I can't overstate your importance to us and the part that you have played, and continue to play, in inspiring the world to dance. I had the pleasure of meeting some of you at our recent open day and I want to continue to meet and speak to as many of you as possible, to hear your ideas and to understand the challenges you face, so that we can better support you and help you to flourish in a rapidly changing world.

As we look back on the financial year 2020-21, the effects of the pandemic continue to be felt at the RAD, however, we remain determined to ensure the smooth running of the business, and to support our staff, members, and students. The fact that we have been able to achieve many of our strategic objectives and achievements during these difficult times is due to the extraordinary dedication and commitment of our worldwide staff and the loyalty of our members.

The investment we've made in digital technologies has proved hugely valuable to the organisation.

All our Faculty of Education programmes during the past year have been delivered using blended and hybrid learning and teaching. This allowed 100% of the students on our university-validated programmes to graduate. In terms of our wider examinations, it also meant that of the over 170,000 students took RAD examinations and of which nearly 70,000 were delivered via video assessment. Our Continuing Professional Development department was also able to offer their 'Making Connections' symposium fully online, with participants joining from 41 countries – something that would not have been thought possible for us pre-pandemic. Using technology we are bringing the world of dance closer and closer together.

Our fundraising drive has also taken advantage of online communication, with virtual meetings and presentations. These have elicited significant donations and philanthropic gifts taking us a long way towards meeting our target for our Capital Campaign to help finance our new global headquarters – no small achievement in the difficult circumstances.

The furlough scheme was a lifeline for the RAD, and we were further helped by the receipt of two grants totalling almost £1m from the government's Culture Recovery Fund – for which we are very grateful.

May 2021 also saw our first online Annual General Meeting, live streamed from our old headquarters and giving members from around the world the chance to take part. And a year

on here it's lovely to be back in a room with some of our members but also exciting to be streaming the AGM to members around the world.

The actions taken to react to the effects of the pandemic on the RAD were mainly successful, but activities were affected by government restrictions and our own determination to prioritise the health and safety of our staff.

Our exhibition at the Victoria & Albert Museum, *On Point: Royal Academy of Dance at 100*, did survive the reduction of activities and was well attended, showcasing the costumes and treasures from our archives. If you haven't yet had the chance to see it it's fantastic and still on at the V&A until 29th August.

Of great disappointment though, was the cancellation of what would have been the first Margot Fonteyn International Ballet Competition. We also had to cancel the biennial international examiners conference.

The move here to our new global headquarters, was also delayed and finally happened in March. We are continuing to work on initiatives and partnerships with our local and international communities to make it a home of dance that we can all be proud of. We also continue to expand the range of our activities as a world leader in dance education, engaging with increasingly diverse audiences and communities everywhere and at all levels.

I must acknowledge our dedicated staff around the globe for their hard work, perseverance, and willingness to adapt in the face of the severe trials faced in the period covered. They have all continued to rise to the challenges with grace, fortitude, and good humour and for that I am very proud and deeply grateful.

It is thanks to them that we can gather here in our new home. In *your* new home. This is a home of dance for everyone, but especially for you, our members who contribute so much to who and what we are. We look forward to working with you to ensure that the next 100 years are as inspiring and enriching as the last.

Finally, there is no better place than here among our members to pay homage to the achievements of Luke Rittner, just a week or so after he formally stepped down as chief executive.

The achievements I've covered here all took place on his watch and under his leadership. For 23 years he guided the RAD through good times and bad and perhaps the biggest and most obvious testament to him is the place where we are now. The memorial to Sir Christopher Wren in St Paul's Cathedral reads 'If you seek his monument, look around you.' We might even say the same of Luke.

I thank him for his guidance and for his friendship and wish him well for the future.

3.0 Financial Review – Renu Randhawa, Director of Finance

I am reporting today on the Academy's financial position for the year ended 31st July 2021.

I hope that those of you attending will have been able to view the online copies of the Annual report and Financial Statements for the year ended 31st July 2021.

There have been no changes to the legal structure of the Academy and the Group during the year.

During the year, the group adapted and recovered from the pandemic and reported worldwide net income, before transfers and other recognised gains and losses, of £1.8 million compared to a net expenditure of £2.6m million in the prior year.

This improvement has been largely due to a return to normal trading, holding back on discretionary costs, receipt of grants, significant deferred income from the prior year for exams and continued use of furlough in the UK and similar schemes around the world.

Exam income increased by 20% from £7.4 million to £8.8 million.

Total exam entries increased by 50% to 182,560 compared to 122,031 in the prior year.

Direct exams expenditure decreased by 15% from £4.8 million to £4.1 million.

This resulted in a significant increase in net income from £2.6 million to £4.7 million.

We also continued with the processes that had been put in place in the prior year, to enable exams to be conducted via video assessment, with footage being sent to headquarters. During 2020/2021, 98,000 candidates were assessed by video (which comprised of 53% of entries). In 2021/2022 video assessments were still popular (which comprised 44% of the global market). We will see savings with tour costs (e.g. travel and accommodation); however, it should be noted that this will likely be offset with the cost of cloud storage and resources to accommodate the service.

The Faculty of Education income was down £520,000 on the prior year at £3.3 million, with overall net income decreasing from £1 million to £679,000.

The Faculty of Education continued to teach online and through hybrid models of delivery. The number of students on the programmes decreased slightly from 1,238 to 1,129, mainly due to the pandemic still affecting new and continuing students.

Income from Continuing Education fell from £1.7 million to £1.5 million as CPD was unable to deliver face-to-face courses, with overall net income of £101,000.

Trading income, together with licensing and royalty income decreased to £931,000 with no significant product launches. Overall net income decreased to £360,000.

There was a net cash inflow from operations of £2.8 million, compared to an outflow of £1.2 million in the prior year, and an overall cash inflow of £2.2million compared to an outflow of £1.9 million in the prior year. This resulted in cash and cash equivalents of £11 million at year-end, compared to £5.4 million at the end of the prior year.

At 31 July 2021, the RAD had total funds of £23 million, which included restricted funds of £1.7 million and designated funds of £19.9 million. Designated funds are represented by the net book value of fixed assets of £19.6 million and other designated funds totalling £236,000.

The long term target for group free reserves is £3.2 million. The group free reserves as at 31 July 2021 for the group was £1.9 million.

There is a budgeted deficit in 2022, due to the delays with the move to the new headquarters. However, we are returning to more normal levels of operations and aim to continue to build the reserves position to the target level.

There is also a focus on regular monitoring of the group and UK cash position.

For 2020/21 cash balances have held up particularly well relative to the previous year as a result of operations being able to resume across the regions that RAD operates within, supported by tighter cash management across the group. The continued emphasis on cash management and moving towards the reserves target will therefore be a feature of 2022 and beyond.

A CBILS loan of £800,000 is in place with HSBC, which was drawn down in March 2021. The loan will be repaid over 5 years.

The term loan of £2.5 million was taken out over 25 years.

Both of these loans are secured on the RAD's headquarters at 36 Battersea Square.

On the completion of the sale of Battersea Square and purchase of York Road, the security will be moved to York Road in the next few weeks.

Achievement of the RAD's targets for 2021/22 is dependent on the ongoing impact of the pandemic but results to date have been broadly in line with targets.

The Trustees have concluded that even with further disruption to activities, including reasonable downside scenarios, the RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason the accounts have been prepared on a going-concern basis and the auditors were able to give the Academy an unqualified report.

I would like to thank the Chair and the members of the Finance and Audit sub-committee for their great support and advice and to my Finance team and the worldwide Finance staff for their continued hard work.

4.0 Ordinary Business – Resolutions

4.1 To consider and approve the Minutes of the 2021 Annual General Meeting

Motion carried

4.2 To receive and adopt the audited Financial Report & Statements for the year ended 31st July 2021

Motion carried

4.3 To appoint Crowe U.K. LLP as auditors for the ensuing year

Motion carried

4.4 To re-elect one Trustee who is retiring by rotation in accordance with Bye-Law 36.1 and is offering themselves for re-election under Bye-laws 33.1(a) (List A) and 35.1(a)

Hilary Clark, ARAD Dip PDTC RAD RTS

Motion carried

- 4.5 To re-elect five Trustees who are retiring by rotation in accordance with Bye-Law 36.1 and are offering themselves for re-election under Bye-Laws 33.1 (b) (List B) and 35.1 (b)

Peter Flew: Motion carried

Ida Levine, BA JD: Motion carried

Andrew McIntee: Motion carried

David Nixon, OBE Motion carried

Guy Perricone: Motion carried

- 4.6 To elect two Trustees recommended by the Board in accordance with Bye-Laws 33.1(b) (List B) and 35.1 (b)

Stephen Sacks: Motion carried

Deborah Cornelius: Motion carried

- 4.7 To express the Academy's gratitude to Kevin O'Hare, Darren Parish and Aliceson Robinson who have stepped down as Trustees.

Members expressed their gratitude to the retiring Trustees for their years of service to the Academy.

- 5.0 **Any Other Business in accordance with Clause 14.6 of the Charter and Bye-Laws.**

There being no other business, the meeting closed at 11.00 a.m.